

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN**

UNITED STATES OF AMERICA,
Plaintiff,

v.

KATHLEEN BAILEY,

Defendant.

Case: 2:23-cr-20368
Assigned To : Roberts, Victoria A.
Referral Judge: Grand, David R.
Assign. Date : 6/27/2023 2:50 PM
Description: INDI USA V. BAILEY (DA)

Violations:
18 U.S.C. § 641
42 U.S.C. § 408(a)(4)

INDICTMENT

THE GRAND JURY CHARGES:

COUNT ONE
18 U.S.C. § 641 - Theft of Government Funds

1. Beginning in or around May 1994, and continuing through June 2018, in the Eastern District of Michigan, Southern Division, the defendant, KATHLEEN BAILEY, willfully and knowingly embezzled, stole, purloined, and converted to her own use, money of the Social Security Administration (“SSA”), a department or agency of the United States, that is, Social Security Act, Title II, Survivor’s Insurance Benefits having a value greater than \$1,000.00; in violation of Title 18, United States Code, Section 641.

COUNT TWO
42 U.S.C. § 408(a)(4) - Social Security Benefit Fraud

2. Beginning in or around May 1994, and continuing through June 2018, in the Eastern District of Michigan, Southern Division, the defendant, KATHLEEN BAILEY, in a matter within the jurisdiction of the SSA, having knowledge of an event affecting the continued right to SSA benefit payments of an individual on whose behalf she was receiving such payments, knowingly and willfully concealed and failed to disclose such event, with the intent to fraudulently secure payment either in a greater amount than is due or when no payment is authorized.

3. Specifically, while receiving benefits intended for T.B., an individual known to the grand jury, and having knowledge of T.B.'s death, BAILEY knowingly and willfully concealed and failed to disclose the fact of T.B.'s death to the SSA, in order to continue receiving T.B.'s monthly benefits. By such action, the defendant fraudulently obtained approximately \$242,608.00 in Social Security Act, Title II, Survivor's Insurance Benefits to which she was not entitled; in violation of Title 42, United States Code, Section 408(a)(4).

THIS IS A TRUE BILL

s/Grand Jury Foreperson

GRAND JURY FOREPERSON

DAWN N. ISON
United States Attorney

s/John K. Neal

JOHN K. NEAL
Assistant United States Attorney
Chief, White Collar Crime Unit

s/Corinne M. Lambert

CORINNE M. LAMBERT
Special Assistant U.S. Attorney

Dated: June 27, 2023

Case: 2:23-cr-20368

Assigned To : Roberts, Victoria A.

Referral Judge: Grand, David R.

Assign. Date : 6/27/2023 2:50 PM

Description: INDI USA V. BAILEY (DA)

**United States District Court
Eastern District of Michigan**

Criminal Case Cover Sheet

NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to complete it accurately

Companion Case Information		Companion Case Number:
This may be a companion case based on LCrR 57.10(b)(4) ¹ :		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		AUSA's Initials: C.M.L.

Case Title: USA v. Kathleen Bailey**County where offense occurred:** Wayne**Offense Type:** FelonyIndictment -- **no** prior complaint**Superseding Case Information****Superseding to Case No:** _____ **Judge:** _____**Reason:****Defendant Name****Charges****Prior Complaint (if applicable)**

Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case

June 27, 2023

Date

Corinne M. Lambert

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 Special Assistant United States Attorney
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 Bar #: P74285

¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, or (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated.